

Message Text

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PAGE 01 STATE 261700
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TO AMEMBASSY TOKYO PRIORITY

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TAGS: PGOV, JA

SUBJECT: USNWR ARTICLE ON AMBASSADOR MANSFIELD

1. FOLLOWING ARTICLE ENTITLED "MANSFIELD'S MOUNTING PROBLEMS AS ENVOY TO JAPAN" BY USNWR TOKYO BUREAU CHIEF JAMES N. WALLACE APPEARED IN OCTOBER 26 EDITION.
2. QUOTE. THROUGH NO FAULT OF HIS OWN, TROUBLES ARE PILING UP FOR MIKE MANSFIELD, THE NEW U.S. AMBASSADOR TO JAPAN.
3. JAPANESE-AMERICAN RELATIONS HAVE SUNK TO THEIR LOWEST POINT SINCE 1971 WHEN PRESIDENT NIXON'S UNEXPECTED DEVALUATION OF THE DOLLAR AND HIS SURPRISING OVERTURES TO CHINA CREATED WIDESPREAD SHOCK AND RESENTMENT IN JAPAN.
4. NOW THERE IS INCREASING CONCERN THAT PRESENT ECONOMIC DISPUTES BETWEEN THE TWO NATIONS COULD DEGENERATE INTO UNCLASSIFIED

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PAGE 02 STATE 261700

EXPLOSIVE CONTROVERSIES OVER TRADE PROTECTIONISM OR RESULT IN PRESSURE UPON THE JAPANESE TO ENLARGE THEIR POLITICAL AND MILITARY ROLES IN ASIA.

5. MANSFIELD, A FORMER DEMOCRATIC MAJORITY LEADER IN THE U.S. SENATE AND THE AMBASSADOR HERE FOR LESS THAN FIVE MONTHS, SEES BOTH PERIL AND HOPE FOR PROGRESS IN ECONOMIC

PROBLEMS BETWEEN THE U.S. AND JAPAN.

6. "SERIOUS" TRADE SITUATION. MANSFIELD TOLD THE AMERICA-JAPAN SOCIETY IN TOKYO IN MID-OCTOBER THAT TRADE PROBLEMS ARE "AS SERIOUS AS ANY WITH WHICH WE HAVE BEEN CONFRONTED IN THE PAST 30 YEARS." BUT SO FAR, HE ADDED, "THEY HAVE NOT BEEN ACCOMPANIED BY THE STRIDENCY SO OFTEN HEARD IN THE PAST."

7. TO AVOID A CRISIS, MANSFIELD ADVOCATES "A KIND OF EARLY-WARNING SYSTEM" TO PINPOINT CONFLICT OVER SUCH TRADE ISSUES AS JAPANESE STEEL EXPORTS TO THE U.S. BEFORE THEY REACH THE CRITICAL STAGE.

8. THE MOST STUBBORN PROBLEM OF ALL IS WHITTILING DOWN THE IMMENSE U.S. TRADE DEFICIT WITH JAPAN, WHICH IS EXPECTED TO JUMP 2 BILLION DOLLARS THIS YEAR TO A STAGGERING 7.6 BILLION.

9. THE CARTER ADMINISTRATION HAS CALLED FOR A WIDE-RANGING APPROACH BASED ON EXPANSION OF JAPAN'S DOMESTIC ECONOMY. BY REMOVING TRADE BARRIERS AND INCREASING IMPORTS, THE U.S. CONTENTS, JAPAN COULD HELP PULL OTHER NATIONS OUT OF RECES- SION AND TRIM ITS OWN MASSIVE TRADE SURPLUS.

10. MANY AMERICAN BUSINESSMEN AND SOME DIPLOMATS -- BUT UNCLASSIFIED

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PAGE 03 STATE 261700

NOT MANSFIELD -- INSIST THAT THIS APPROACH IS NOT WORKING BECAUSE JAPAN REFUSES TO SHOULDER ITS OBLIGATIONS AS ONE OF THE RICHEST NATIONS IN THE WORLD.

11. SAYS ONE U.S. DIPLOMAT IN TOKYO: "THE ONLY WAY TO GET THE TRADE NUMBERS BACK IN BALANCE IS TO SLAP STIFF QUOTAS ON JAPANESE IMPORTS. THE ONLY THING JAPAN WILL DO VOLUN- TARILY IS TALK."

12. SOME AMERICANS IN TOKYO CRITICIZE MANSFIELD FOR "TAKING THE JAPANESE SIDE" IN TRADE DISPUTES. BUT ONE U.S. AUTHORITY SAYS MANSFIELD HAS BEEN "UNAMBASSADORIALLY BLUNT" IN WARNING JAPANESE OFFICIALS ABOUT THE DANGER OF GROWING PROTECTIONIST SENTIMENTS AMONG BUSINESSMEN, TRADE- UNION LEADERS AND CONGRESSMEN IN THE UNITED STATES.

13. THE 74-YEAR-OLD ENVOY, WHO ARRIVED IN TOKYO LAST JUNE, GETS A RESPECTFUL HEARING IN JAPAN. HIS STATUS AS AN ELDER U.S. STATESMAN BACKED BY YEARS IN HIGH POLITICAL OFFICE, HIS CLOSE PERSONAL TIES TO PRESIDENT CARTER AND HIS REPUTATION AS AN EXPERT ON ASIA ALL COMBINE TO MAKE MANSFIELD HIGHLY INFLUENTIAL IN JAPAN'S TRADITIONAL

SOCIETY.

14. FISH AN ISSUE. THE JAPANESE STILL COMPLAIN, HOWEVER, THAT IT IS THE U.S., NOT JAPAN, THAT LACKS "UNDERSTANDING" OF THE PROBLEMS BETWEEN THE TWO COUNTRIES. FOR INSTANCE, THEY NOTE THAT AMERICAN RESTRICTIONS ON JAPANESE FISHING INSIDE A NEWLY ADOPTED 200-MILE ECONOMIC ZONE MAY BE CONSIDERED CONSERVATION IN THE U.S. BUT ARE A BIG THREAT TO JAPAN'S BASIC FOOD SUPPLY. THE JAPANESE FISHING INDUSTRY -- WHICH EMPLOYS A HALF MILLION WORKERS -- PROVIDES MORE THAN HALF THE PROTEIN FOOD CONSUMED IN THE ISLAND NATION.

15. THE JAPANESE ALSO COMPLAIN THAT CARTER'S ATTEMPTS TO RESTRICT THE SPREAD OF NUCLEAR TECHNOLOGY IGNORE JAPAN'S
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PAGE 04 STATE 261700

"VITAL NEED" FOR ATOMIC ENERGY. AN AGREEMENT IN SEPTEMBER PERMITTING JAPAN TO OPERATE A BREEDER REACTOR THAT WASHINGTON ONCE STRONGLY OPPOSED LEAVES THE DISPUTE FAR FROM SETTLED.

16. SOME JAPANESE FEAR, HOWEVER, THAT TOKYO ONLY ANNOYS THE AMERICANS WHEN ITS OFFICIALS CLAIM THAT IMPORTS OF ARAB OIL, NOT GOODS FROM JAPAN, ARE LARGELY RESPONSIBLE FOR THE HUGE U.S. TRADE DEFICIT.

17. THEIR BIG WORRY: THAT A CONFRONTATION WITH THE U.S. COULD GENERATE A BACKLASH AMONG AMERICANS AND BRING INTO QUESTION JAPAN'S LOW-KEY, LOW-COST POLITICAL AND MILITARY POSTURE.

18. CRITICS ALREADY CHARGE THAT JAPAN'S REJECTION OF MILITARY POWER AFTER WORLD WAR II GIVES IT A "FREE RIDE" UNDER THE 1951 SECURITY TREATY WITH THE U.S.

19. BANNED BY ITS POSTWAR CONSTITUTION FROM MAINTAINING LARGE ARMED FORCES, JAPAN HAS ONLY ABOUT 200,000 MEN IN UNIFORM AND SPENDS LESS THAN 1 PER CENT OF ITS GROSS NATIONAL PRODUCT ON DEFENSE.

20. THE ISSUE IS COMING UNDER INCREASING SCRUTINY AS AMERICAN GROUND FORCES PREPARE TO PULL OUT OF SOUTH KOREA AND AS THE SOVIET UNION EXPANDS ITS POWER AND INFLUENCE THROUGHOUT THE PACIFIC.

21. A WAY OUT? SOME ANALYSTS ARGUE THAT JAPAN'S TRADE SURPLUSES WOULD BE AUTOMATICALLY ADJUSTED IF THE COUNTRY HAD TO SUPPORT MILITARY FORCES IN PROPORTION TO ITS RANK AS THE WORLD'S THIRD-LARGEST ECONOMIC POWER. THAT WOULD BE
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PAGE 05 STATE 261700

ESPECIALLY TRUE, THEY SAY, IF JAPAN WERE TO BUY MOST OF ITS WEAPONS IN THE U.S.

22. HOWEVER, OTHER JAPANESE AND AMERICAN OFFICIALS REJECT SUCH "QUICK FIX" SOLUTIONS AS ECONOMICALLY UNSOUND. THEY SAY THAT ENLARGING JAPAN'S POLITICAL AND MILITARY ROLE COULD CREATE MORE PROBLEMS THAN IT WOULD SOLVE, ESPECIALLY AMONG JAPAN'S STILL-SUSPICIOUS NEIGHBORS.

23. TOP OFFICIALS FROM BOTH SIDES MAINTAIN THAT THE U.S. AND JAPAN ARE COPING WITH THEIR DIFFERENCES MORE EFFECTIVELY THAN EVER BEFORE. THEY CLAIM THAT DISPUTES OVER JAPANESE GOODS FLOODING AMERICAN MARKETS, EVEN THE QUARREL OVER ALLEGED "DUMPING" OF JAPANESE STEEL, WILL NOT BE PERMITTED TO BLOW UP INTO A MAJOR CRISIS.

24. YEN ANALYSTS ALSO NOTE THAT FUNDAMENTAL DIFFERENCES BETWEEN THE AMERICAN AND JAPANESE WAYS OF DOING THINGS COULD NULLIFY GOOD INTENTIONS. AS AMBASSADOR MANSFIELD PUT IT TO A RECENT VISITOR: "THE CRISIS YOU HAVE TO WORRY ABOUT MOST IS THE ONE YOU DON'T SEE COMING." END QUOTE.

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